

City of Richmond, Virginia
Comments for the FCC Public Forum on the ATT/MediaOne Merger
February 4, 2000

Issues during deliberations for Transfer of Control

Contract Compliance

Franchisee providing noncable services

- Clarified the rights under the franchise
- Stipulated that when a telephone franchise was advertised, they would be required to have one
- Clarified that any revenue received from the lease of facilities would be included in the "gross revenues" and thus subject to the franchise fee.

Revenues from Internet Services

All revenues would be included in the "gross revenues" and thus subject to the franchise fee.

Discrimination of provision of services

Can not discriminate among geographic areas

Cable Access Issue

Reservation of Rights - Reserve the right to require "nondiscriminatory access to cable modem service to the bandwidth" to other service providers

Or

Franchisee shall provide any requesting ISP with access to the broadband network at any technically feasible point selected by the ISP at a reasonable rate

Public Policy Debate

- Will the preclusion of nondiscriminatory access effectively deprive City residents of choices in accessing Internet via high-speed connections at competitive prices
- Will the public health, safety and welfare of the City be advanced by providing a market environment that offers meaningful choices to consumers, fosters competitive pricing and prevents inefficient economic distortions that depress economic activity
- Will regulation discourage investment?
- Should City regulate access and incur the costs associated with developing pricing methods and rules regarding dispute resolution?

Legal Considerations

- Classification of cable modem service under federal law
- City's legal authority
- Federal position – encourage competition without regulation